SOUVANNY HOME CENTER PUBLIC COMPANY

LAK-converted interim financial statements

For six-month period ended 30 June 2026

SOUVANNY HOME CENTER PUBLIC COMPANY

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SOUVANNY HOME CENTER PUBLIC COMPANY

GENERAL INFORMATION

THE COMPANY

Souvanny Home Center Public Company ("the Company") is a public company which is listed on the Lao Securities Exchange (LSX) and is incorporated and domiciled in Lao PDR. The Company operates under the latest Business License No. 3271/ERO dated 29 August 2024. The principal business operation of the Company is to operate a one-stop shopping-home center which provides both services and full-range products from construction material to home supplies and decoration such as, tile, sanitary ware, paint, home, and office decoration material, furniture and others. Moreover, the Company also has services including the product recommendation to customers, interior design for kitchen and restroom, and product delivery.

The shareholding structure of the Company as at 30 June 2026 is as follows:

Shareholders	*Number of shares (par value: LAK 2,000/share)*	*Shares equal to Percentage*
Mr. Waddana SOUKHABANDITH (*)	28,524,440	17.29%
Mr. Phannola SOUKHABANDITH (*)	26,844,580	16.27%
Mr. Kotsada SOUKHABANDITH (*)	26,844,580	16.27%
Ms. Phaphatsone SOUKHABANDITH (*)	840,000	0.51%
Ms. Viengdala BOUPHA (*)	840,000	0.51%
Mr. Anousone OUNTAY (*)	28,000	0.02%
Mr. Bounthavy SIMMAXAY (*)	22,400	0.01%
Mr. Souvanny SISOMCHAY (*)	28,000	0.02%
Mr. Xaysangkhom XUMMANYVONG (*)	28,000	0.02%
Global House International Limited	56,000,000	33.94%
Other public corporation and individual investors	25,000,000	15.15%
	165,000,000	

(*) These shareholders represent for Soukhabandith family with total shares holding 50.92%.

The initial registered capital of the Company is LAK 330,000,000,000 equivalent to THB 1,328,295,734. The actual paid-up capital of the Branch as at 30 June 2026 is LAK 330,000,000,000 equivalent to THB 1,328,295,734 (31 December 2025: LAK 330,000,000,000 equivalent to THB 1,328,295,734).

The Company's head office is located at number 366 Ban Phonetongsavath, Chanthaburi District, Vientiane Capital, Lao PDR. The Company has 9 branches in Lao PDR, 4 branches in Vientiane Capital and 5 branches in provinces, including:

- Phonetongsavath branch is located at No366, Phonetongsavath Village, Chathabouly District, Vientiane Capital;
- Sikhai branch is located at 13 North Rd, Nahae Village, Sikhottabong District, Vientiane Capital;
- Xokyai branch is located at 450 Rd, Xokyai Village, Sikhottabong District, Vientiane Capital;
- Somsanouk branch is located at T5 Rd, Somsanouk village, Hardsaiyfong district, Vientiane Capital;
- Pakxan branch is located at 13 South Rd, Sisaart Village, Pakxan District, Borlikhamxay Province;
- Thakhaek branch is located at Phonphim Village, Thakhaek District, Khammuan Province;
- Savannakhet branch is located at 9 Rd, Phonesavarngnuea Village, Kaysone Phomvihan City, Savannakhet Province;
- Pakse branch is located at No 13 Rd, Karng Village, Pakse Capital City, Champasak Province;
- Luangphabang branch is located at 13 North Rd, Phonexay village, Luangphabang City, Luangphabang Province.

THE COMPANY (continued)

The Company also has 2 branches which are under construction, including:

- Udomxay branch is located at 13 North Rd, Nasao village, Xay District, Udomxay Province;
- Vangvieng branch is located at 13 North Rd, Khanmark village, Vangvieng district, Viengchan Province.

BOARD OF DIRECTORS

Members of Board of Directors during the period and as at the date of this report are:

Name	*Position*	*Date of appointment*
Mr. Somchith INTHAMITH	Chairman of the Board Directors, Independent Director	Appointed on 17 February 2025 for a term of 2 years
Assoc.Prof.Dr. Xayphone KONGMANILA	Vice-Chairman of Board of Directors, Independent Directors	Appointed on 17 February 2025 for a term of 2 years
Mr. Waddana SOUKHABANDITH	Member of Board of Directors	Appointed on 17 February 2025 for a term of 2 years
Mr. Sonesavanh SENGAPHAY	Member of Board of Directors	Appointed on 17 February 2025 for a term of 2 years
Mr. Phannola SOUKHABANDITH	Member of Board of Directors	Appointed on 17 February 2025 for a term of 2 years
Mr. Kotsada SOUKHABANDITH	Member of Board of Directors	Appointed on 17 February 2025 for a term of 2 years
Mr. Bounthavy SIMMAXAY	Member of Board of Directors	Appointed on 17 February 2025 for a term of 2 years
Ms. Chutikan SRISAENGCHAN	Member of Board of Directors	Appointed on 17 February 2025 for a term of 2 years
Mr. Piphop VASANAARCHASAKUL	Member of Board of Directors	Appointed on 17 February 2025 for a term of 2 years

BOARD OF MANAGEMENT

Members of the Management during the period and at the date of this report are:

Name	*Position*
Mr. Waddana SOUKHABANDITH	Chief Executive Officer
Mr. Phannola SOUKHABANDITH	Chief Financial Officer
Mr. Kotsada SOUKHABANDITH	Chief Operation Officer

LEGAL REPRESENTATIVE

The legal representative of the Company during the period and at the date of this report is Mr. Waddana SOUKHABANDITH, Chief Executive Officer.

AUDITOR

The auditor of the Company is Ernst & Young Lao Co., Ltd.

SOUVANNY HOME CENTER PUBLIC COMPANY

REPORT OF MANAGEMENT

Management of Souvanny Home Center Public Company ("the Company") is pleased to present this report and the LAK-converted interim financial statements of the Company for the six-month period ended 30 June 2026.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE LAK CONVERTED INTERIM FINANCIAL STATEMENTS

Management is responsible for the preparation of the LAK-converted interim financial statements which have been prepared in accordance with the accounting policies as described in Note 3 to the LAK-converted interim financial statements. These accounting policies are not intended to present the financial position, the results of operations and cash flows of the Company in accordance with international generally accepted accounting principles. In preparing those LAK-converted interim financial statements, management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgement and estimates that are reasonable and prudent;
- state whether applicable accounting policies have been followed, subject to any material departures disclosed and explained in the LAK-converted interim financial statements; and
- prepare the LAK-converted interim financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue its business.

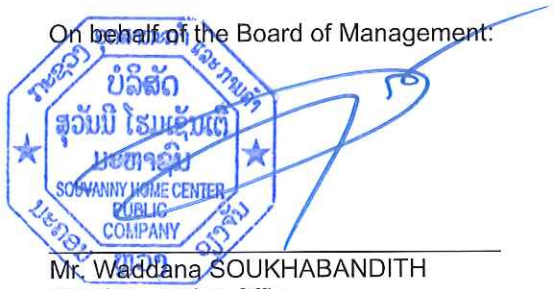
Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the interim financial position and to ensure that the accounting records comply with the accounting policies applied. It is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management has confirmed that it has complied with the above requirements in preparing the accompanying LAK-converted interim financial statements.

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying LAK-converted interim financial statements are prepared, in all material respects, in accordance with the accounting policies as described in Note 3 to the interim financial statements.

On behalf of the Board of Management:



Mr. Waddana SOUKHABANDITH
Chief Executive Officer

Vientiane, Lao PDR

24 August 2026

Building a better working world

Ernst & Young Lao Co., Ltd
6th floor, Kolao Tower I, 23 Singha Road
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Reference: 13642391/70069385 – LR-LAK-converted

REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

To: The shareholders of Souvanny Home Center Public Company

We have reviewed the Company's LAK-converted interim financial statements which comprise the LAK-converted interim statement of financial position as at 30 June 2026, the LAK-converted interim income statement, LAK-converted interim statement of changes in equity and LAK-converted interim statement of cash flows for the six-month period then ended, and notes to the LAK-converted interim financial statements, including a summary of significant accounting policies (collectively being referred to as "the LAK-converted interim financial statements").

Management's responsibility

Management is responsible for the preparation and presentation of these LAK-converted interim financial statements in accordance with the accounting policies as described in Note 3 and the statutory requirements relevant to the preparation and presentation of the LAK-converted interim financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of the LAK-converted interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express a conclusion on the LAK-converted interim financial statements based on our review. We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

A review of LAK-converted interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying LAK-converted interim financial statements are not prepared, in all material respects, in accordance with the accounting policies as described in Note 3 to the LAK-converted interim financial statements.

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Emphasis of Matter

We draw attention to Note 2 to the LAK-converted interim financial statements which describes the basis of accounting. The LAK-converted interim financial statements are prepared to assist the Company's management in meeting the reporting requirements of its shareholders and the stock market regulators. As a result, the LAK-converted purpose interim financial statements may not be suitable for another purpose. Our report is intended solely for the information and use of the Company's management and its owners and the stock market regulators and should not be distributed to or used by other parties.

We also draw attention to Note 3.1 of the LAK-converted interim financial statements. The LAK-converted interim financial statements for the six-month period ended 30 June 2026 are prepared based on the THB-denominated financial statements for the same reporting period in accordance with Note 3 to THB-denominated interim financial statements.

Our conclusion is not modified in respect of these matters.



Van Le
Partner

Audit Practising Registration
Certificate No. 018/LCPAA-APT-2019

Vientiane, Lao PDR

24 August 2026

A member firm of Ernst & Young Global Limited

SOUVANNY HOME CENTER PUBLIC COMPANY

LAK-CONVERTED INTERIM INCOME STATEMENT
for the six-month period ended 30 June 2026

	Notes	*For the six-month period ended 30 June 2026 LAK*	*For the six-month period ended 30 June 2025 LAK*
Revenue from sales	4	590,730,518,183	471,338,309,772
Cost of sales	5	(436,656,986,491)	(353,434,360,004)
Gross income		**154,073,531,692**	**117,903,949,768**
Other incomes	6	2,078,619,681	2,890,616,094
Selling expenses	7	(72,627,934,524)	(56,377,538,097)
Administrative expenses	8	(30,537,679,635)	(26,427,669,894)
Finance costs	9	(7,861,307,549)	(4,729,554,194)
Net foreign exchange (loss)/gain	10	(878,442,665)	2,588,203,945
		(109,826,744,692)	**(82,055,942,146)**
Profit before income tax expense		**44,246,787,000**	**35,848,007,622**
Profit tax expense	24	(8,359,829,724)	(6,308,192,579)
Net profit for the period		**35,886,957,276**	**29,539,815,043**
Earnings per share	25	**217**	**179**

Mr. Waddana SOUKHABANDITH
Chief Executive Officer

Mr. Phannola SOUKHABANDITH
Chief Financial Officer

Vientiane, Lao PDR

24 August 2026

SOUVANNY HOME CENTER PUBLIC COMPANY

LAK-CONVERTED INTERIM STATEMENT OF FINANCIAL POSITION
as at 30 June 2026

	Notes	*30 June 2026* LAK	*31 December 2025* LAK
ASSETS			
Current assets			
Cash and cash equivalents	11	42,933,850,034	54,462,872,201
Short-term deposit	12	13,257,643,020	12,774,252,960
Trade and other receivables, net	13	8,562,657,016	11,638,419,496
Inventories	14	553,672,000,872	568,852,380,590
Other current assets	15	47,280,249,189	52,853,581,121
Total current assets		**665,706,400,131**	**700,581,506,368**
Non-current assets			
Assets under purchase and construction in progress	16.1	35,882,163,154	30,145,012,342
Tangible assets	16.2	531,464,315,012	552,649,280,590
Intangible assets	16.3	887,064,607,966	894,335,256,462
Other non-current assets	17	14,753,413,584	16,212,172,726
Total non-current assets		**1,469,164,499,716**	**1,493,341,722,120**
TOTAL ASSETS		**2,134,870,899,847**	**2,193,923,228,488**

SOUVANNY HOME CENTER PUBLIC COMPANY

LAK-CONVERTED INTERIM STATEMENT OF FINANCIAL POSITION (continued)
as at 30 June 2026

	Notes	*30 June 2026 LAK*	*31 December 2025 LAK*
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other payables	18	88,493,372,883	96,022,115,694
Bank overdraft and short-term borrowings	19	52,410,619,653	104,537,792,011
Long-term borrowings – current portion	19	50,635,415,000	51,033,990,000
Profit tax payable	24	8,354,298,459	12,800,507,234
Deposits from customers	21	2,659,023,971	4,325,439,631
Other current liabilities	22	87,478,606,385	86,285,900,607
Total current liabilities		**290,031,336,351**	**355,005,745,177**
Non-current liabilities			
Long-term borrowings – non-current portion	19	61,340,217,500	59,594,342,430
Debentures	20	68,306,835,000	65,453,661,000
Total non-current liabilities		**129,647,052,500**	**125,048,003,430**
TOTAL LIABILITIES		**419,678,388,851**	**480,053,748,607**
Equity			
Share capital	23	330,000,000,000	330,000,000,000
Share premium	23	24,735,724,722	24,735,724,722
Legal reserve		32,738,923,219	32,738,923,219
Other reserve		32,488,923,219	32,488,923,219
Retained earnings		325,360,546,380	310,949,989,104
Foreign exchange differences reserve		969,868,393,456	982,955,919,617
Total equity		**1,715,192,510,996**	**1,713,869,479,881**
TOTAL LIABILITIES AND EQUITY		**2,134,870,899,847**	**2,193,923,228,488**

Mr. Waddana SOUKHABANDITH
Chief Executive Officer

Mr. Phannola SOUKHABANDITH
Chief Financial Officer

Vientiane, Lao PDR

24 August 2026

SOUVANNY HOME CENTER PUBLIC COMPANY

LAK-CONVERTED INTERIM STATEMENT OF CHANGES IN EQUITY
for the six-month period ended 30 June 2026

	Share capital LAK	*Share premium LAK*	*Legal reserve LAK*	*Other reserve LAK*	*Retained earnings LAK*	*Foreign exchange differences reserve LAK*	*Total LAK*
Balance as at 1 January 2025	**330,000,000,000**	**24,735,724,722**	**26,027,348,763**	**25,777,348,763**	**277,057,393,458**	**845,587,487,113**	**1,529,185,302,819**
Net profit for the period	-	-	-	-	29,539,815,043	-	29,539,815,043
Dividend paid	-	-	-	-	(19,800,000,000)	-	(19,800,000,000)
Translation adjustments	-	-	-	-	-	78,228,416,917	78,228,416,917
Balance as at 30 June 2025	**330,000,000,000**	**24,735,724,722**	**26,027,348,763**	**25,777,348,763**	**286,797,208,501**	**923,815,904,030**	**1,617,153,534,779**
Balance as at 1 January 2026	**330,000,000,000**	**24,735,724,722**	**32,738,923,219**	**32,488,923,219**	**310,949,989,104**	**982,955,919,617**	**1,713,869,479,881**
Net profit for the period	-	-	-	-	35,886,957,276	-	35,886,957,276
Dividend paid	-	-	-	-	(21,476,400,000)	-	(21,476,400,000)
Translation adjustments	-	-	-	-	-	(13,087,526,161)	(13,087,526,161)
Balance as at 30 June 2026	**330,000,000,000**	**24,735,724,722**	**32,738,923,219**	**32,488,923,219**	**325,360,546,380**	**969,868,393,456**	**1,715,192,510,996**

Mr. Waddana SOUKHABANDITH
Chief Executive Officer

Mr. Phannola SOUKHABANDITH
Chief Financial Officer

Vientiane, Lao PDR

24 August 2026

SOUVANNY HOME CENTER PUBLIC COMPANY

LAK-CONVERTED INTERIM STATEMENT OF CASH FLOWS
for the six-month period ended 30 June 2026

	Notes	*For the six-month period ended 30 June 2026 LAK*	*For the six-month period ended 30 June 2025 LAK*
OPERATING ACTIVITIES			
Profit for the period		**44,246,787,000**	**35,848,007,622**
Adjustments for:			
Depreciation charged during the period	16.2	20,380,919,855	14,634,418,844
Amortisation charged during the period	16.3	340,497,127	19,243,881
Loss/(gain) from write off of property, plant and equipment		916,838,078	75,321,710
Unrealised loss/(gain) from exchange rate	10	1,953,197,086	(843,418,139)
Interest expenses	9	7,582,795,423	4,425,382,326
Allowance for slow moving and obsolete inventories	5	39,631,783	531,820,405
Additional charge for doubtful debts	8	259,024,042	180,981,194
Allowance for sale return of trade receivable		327,631,147	(198,706,181)
Working capital adjustments:			
Changes in trade and other receivables		2,852,619,500	(598,112,193)
Changes in inventories		10,705,125,238	15,563,130,145
Changes in other current and non-current assets		6,898,866,595	(7,665,698,743)
Changes in trade and other payables		(7,515,213,923)	10,204,580,501
Changes in Customer deposits		(1,633,714,960)	(717,999,951)
Changes in other current liabilities		2,483,022,952	(10,538,008,095)
Profit tax paid	24	(12,389,630,667)	(11,668,993,189)
Net cash flows from operating activities		**77,448,396,276**	**49,251,950,137**
INVESTING ACTIVITIES			
Proceeding of investment in term deposits		-	32,163,266,088
Investment in term deposits		-	(32,483,298,586)
Purchase of property, plant and equipment and construction in progress		(10,448,759,536)	(1,224,681,592)
Purchases of computer software		-	(576,058,497)
Proceeds from disposal of property, plant and equipment		-	761,677,346
Net cash flows used in investing activities		**(10,448,759,536)**	**(1,359,095,241)**
FINANCING ACTIVITIES			
Proceeding of borrowings from bank		150,933,446,604	204,688,555,263
Repayment of borrowings from bank		(199,992,050,123)	(211,051,037,707)
Interest paid		(7,536,821,259)	(4,384,671,779)
Dividend paid	26	(21,476,400,000)	(19,800,000,000)
Net cash flows used in financing activities		**(78,071,824,778)**	**(30,547,154,223)**

SOUVANNY HOME CENTER PUBLIC COMPANY

LAK-CONVERTED INTERIM STATEMENT OF CASH FLOWS (continued)
for the six-month period ended 30 June 2026

	Notes	*For the six-month period ended 30 June 2026 LAK*	*For the six-month period ended 30 June 2025 LAK*
Net (decrease)/increase in cash		**(11,072,188,038)**	**17,345,700,673**
Cash at the beginning of the period	11	54,434,413,525	18,620,031,453
Translation adjustment		(429,600,728)	1,518,915,199
Cash at the end of the period	**11**	**42,932,624,759**	**37,484,647,325**

Mr. Waddana SOUKHABANDITH
Chief Executive Officer

Mr. Phannola SOUKHABANDITH
Chief Financial Officer

Vientiane, Lao PDR

24 August 2026

1. CORPORATE INFORMATION

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1. CORPORATE INFORMATION (continued)

The Company also has 2 branches which are under construction, including:

- Udomxay branch is located at 13 North Rd, Nasao village, Xay District, Udomxay Province;
- Vangvieng branch is located at 13 North Rd, Khanmark village, Vangvieng district, Viengchan Province.

The number of the Company's employees as at 30 June 2026 is 745 (31 December 2025: 733).

2. BASIS OF PREPARATION

2.1 *Accounting policies*

According to the Accounting Law No.46/NA dated 20 November 2023, public interest entities, including listed companies should apply International Financial Reporting Standards ("IFRS") in preparing their interim financial statements. In accordance with the Official Letter No. 1137/MOF dated 27 April 2020 by the Ministry of Finance, public interest entities are allowed to delay the application of IFRS until 1 January 2026 onwards.

On 8 June 2026, MOF issued notification letter No. 2157/CO regarding the implementation of full IFRS. Under this notification, all Public Interest Entities ("PIEs") those are listed companies and insurance companies except PIEs regulated by the Bank of the Lao PDR ("BOL") must prepare their annual financial statements in accordance with International Reporting Standards ("IFRS"). Accordingly, the Company is in the process of obtaining approval to postpone the implementation of full IFRS and is preparing a clear implementation plan and timeline for the adoption of IFRS.

2.2 *Purpose of preparing the LAK-converted financial statements*

The Company's accounting currency is THB as disclosed in Note 2.4. The Company has prepared THB-denominated financial statements for the six-month period ended 30 June 2026 on 24 August 2026.

In addition to the THB-denominated financial statements, the Company also converted the THB-denominated financial statements to the financial statements using Lao Kip as presentation currency ("the LAK-converted financial statements"). The LAK-converted financial statements are to assist the Company in submitting the financial statements to the stock market regulators and shareholders.

The LAK-converted financial statements are prepared based on the THB-denominated financial statements which were prepared in accordance with note 3 to the THB-denominated interim financial statement and the statutory requirements relevant to the preparation and presentation of financial statements.

Accordingly, the accompanying LAK-converted financial statements, including their utilisation are not designed for those who are not informed about Lao's accounting principles, procedures and practices and furthermore are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Laos.

2.3 *Fiscal year*

The Company's fiscal year starts on 1 January and ends on 31 December.

2. **BASIS OF PREPARATION** (continued)

2.4 *Accounting currency*

The Company maintains its accounting records in THB as it is the currency in which majority of the Company's transactions are denominated and settled. All values are shown in THB except when otherwise indicated.

2.5 *Presentation currency*

For the purpose of reporting to stock market regulators, the Company prepares financial statements using LAK as the presentation currency.

2.6 *Significant accounting judgements, estimates and assumptions*

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed below.

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to taxable income and expenses already recorded. The Company establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authority of Lao PDR. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulation by the taxable entity and the responsible tax authority. Such differences in interpretation may arise depending on the conditions prevailing in Lao PDR.

The Company doesn't recognize corporate income tax payable or receivable in future periods in respect of temporary differences, Income tax expense is recognized based on the operating result for the related period and the applicable tax rate.

Impairment of trade receivables

The Company has established the allowance for doubtful accounts to reflect the impairment of trade receivables, related to the provision of loss from unbillable customers. The allowance for doubtful accounts is the effect of the Company's estimation of future cash inflow, with that assessment being based on the consideration of historical collection experience, known and identified instances of default and consideration of market trends.

Allowance for a decrease in the value of inventories

The Company has established an allowance for the decrease in value of inventories to reflect the net realisable value from inventories. The allowance for a decrease in the value of inventories is the effect of the Company's analysis of obsoleted inventories and forecasts of future sales. The balance of inventories will be written-off once the inventories are obsolete and are unable to be sold.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 *Conversion of THB-denominated financial statements into LAK-converted financial statements*

The Company converted its interim financial statement from Thai Baht into Lao kip ("LAK") as the following process:

- Items in the LAK-converted interim statement of financial position as at 30 June 2026 are translated using the closing exchange rate of Banque Pour Le Commerce Exterieur Lao Public (BCEL) which is 679.67 LAK/THB except for share capital, share premium, legal reverse, other reserve, which are translated at historical foreign exchange rates by the Company;

- Items in the LAK-converted interim income statement and cash flow for the six-month period ended 30 June 2026 are translated using the average exchange rate during the period of Banque Pour Le Commerce Exterieur Lao Public (BCEL) which is 680.12 LAK/THB;

- All foreign exchange differences from financial statements translation from THB to LAK are presented under translation adjustment in the interim statement of changes in equity.

3.2 *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand, cash at banks, and other short-term investments with original maturity of three months or less. An investment normally qualifies as a cash equivalent only when it has a short maturity of three months or less from the date of acquisition. Bank overdrafts are normally considered financing activities similar to borrowings. However, if they are repayable on demand and form an integral part of the Company's cash management, bank overdrafts are a component of cash and cash equivalents.

3.3 *Trade and other receivables*

Trade accounts receivable is carried at the original invoice amount and subsequently measured at the remaining balance less any allowance for doubtful debts.

Allowances for doubtful debts

The estimate on allowance for doubtful debt is based on number of overdue days and provision rate as below:

Overdue days	*Provision rate*
0 – 180 days	0%
More than 180 days	100%

Increase or decrease in the balance of allowances for doubtful debts are recognized in Administrative Expenses in the interim income statement.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 *Inventories*

Inventories are stated at the lower of the purchase cost and net realisable value. The cost is determined using the weight average method. The purchase cost comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, allowances or rebates from suppliers.

Net realisable value

Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Provision for obsolete inventories

An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of inventories owned by the Company, based on appropriate evidence of impairment available at the interim statement of financial position date.

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the interim statement of profit or loss.

3.5 *Property, plant and equipment*

Property, plant and equipment are stated at cost less accumulated depreciation.

The cost of an item of property, plant and equipment comprises of its purchase price and any directly attributable costs of bringing the item to working condition for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the interim statement of profit or loss as incurred.

When an item of property, plant and equipment is sold or retired, any gain or loss resulting from its disposal (the difference between the net disposal proceeds and the carrying amount) is included in the interim statement of profit or loss.

Depreciation

Depreciation of property, plant and equipment is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Buildings	20 - 30 years
Machinery and equipment	3 - 5 years
Furniture and fixtures	2 - 10 years
Motor and Vehicles	3 - 5 years

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 Intangible assets

Intangible assets consist of computer software and the land use rights with indefinite life. Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of an intangible fixed asset comprises of its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use.

Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the interim statement of profit or loss as incurred.

When intangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the interim statement of profit or loss.

Amortisation of intangible fixed assets are calculated on a straight-line basis over the estimated useful life of each asset as follow:

Computer software	5 years
Land use rights	Indefinite life

3.7 Trade, other payables and accruals

Trade, other payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Company.

3.8 Borrowings

Borrowings are recognized initially at cash received; net of transaction costs incurred.

Borrowings are classified as currents liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the interim statement of financial position date.

Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

All other borrowing costs are recognised as expense in the period in which they are incurred.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.9 *Accrual of rebate from supplier*

Rebate is an amount accrued based on purchased amount times discount rate agreed in the contract with suppliers. Rebate is settled by netting with the invoices when the Company makes payments to those suppliers.

3.10 *Legal Reserves*

Legal reserve is set aside in order to secure against risks, whereby the Company shall annually transfer 10% of its net profit after tax into the legal reserve, after deducting accumulated losses. When the legal reserve reaches one-half of the contributed charter capital, the Company may suspend the conversion of profit to such fund, unless otherwise approved by the Company's owners.

3.11 *Foreign currencies*

Transactions in foreign currencies are translated into THB at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into THB at the exchange rate ruling at the end of reporting period.

Gains and losses on foreign exchange translation are included in the interim income statement.

3.12 *Revenue recognition*

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Company's activities. Revenue is shown net of value-added tax, returns, rebates and discounts.

The Company recognises revenue when the amount of revenue can be reliably measured. It is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities, as described below.

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually upon the delivery of the goods. Sales of goods subject to installation and inspection conditions are recognised when the buyer accepts the delivery and the installation and inspection are competed.

The Company's policy to sell its products to the end customer with a right of return within 30 days. Therefore, a refund liability (included in trade and other payables) and a right to the returned goods (included in other current assets) are recognised for the products expected to be returned. Accumulated experience is used to estimate such returns at the time of sale at a portfolio level by applying expected value method. Because the number of products returned has been steady for years, it is highly probable that a significant reversal in the cumulative revenue recognised will not occur. The validity of this assumption and the estimated amounts of returns are reassessed at each reporting date.

Other income includes interest income and rental income:

- Interest income is recognised on an accrual basis using contractual interest rate.
- Rental income from billboards that is leased to suppliers under an operating lease is recognised in the interim income statement on a straight-line basis over the lease term.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.13 Taxation

Current tax

Provision is made for profit tax on the current year's profits, based on the Tax Law governing taxation within Lao PDR. The Company is obliged to pay profit tax at rate of 20% of total profit before tax in accordance with the Tax Law No.67/NA dated 18 June 2019 which is effective on or after 1 January 2020. Accordingly, the Company is subject to the tax rate of 20%. The Company's tax returns are subject to examination by the tax authorities. Because the application of tax laws and regulations in many types of transactions is susceptible to varying interpretations, amounts reported in the interim financial statements could be changed at a later date upon final determination by the tax authorities.

Other taxes

Other taxes payable include value added tax and employees' personal income tax.

Value added tax is the tax liability determined on revenue for the period computed using the applicable tax rate for the year.

Personal income tax is the tax payable on salary paid to staff for the period determined using applicable tax rate for the years.

3.14 Earnings per share

Basic earnings per share amounts are calculated by dividing net profit after tax for the period attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are not caculated and presented.

3.15 Related party transactions

Parties are considered to be related if one party has the ability to control or exercise significant influence over the other party in making financial and operational decisions or are subject to common control or common significant influence.

Transactions with related parties are conducted based on market prices or, where no market prices exist, at contractually agreed prices.

3.16 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's interim financial statements in the period in which the dividends are approved by the Company's shareholders.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 *Employee benefits*

Post-employment benefits

Post-employment benefits are paid to retired employees by the Social Security Fund Department which belongs to the Ministry of Labor and Social Welfare. The Company is required to contribute to these post-employment benefits by paying social insurance premium to the Social Insurance Agency at the rate of 6% of employee's basic salary on a monthly basis.

Additionally, the Company and the employee contributes monthly a certain amount of the employee's monthly salary, ranging from 0.5 – 2%, according to the employee's position into pension fund. Retirement benefits from this pension fund are paid to retired employees at the time of retirement, at a percentage starting from 50 – 100% of pension fund contributed by the Company and based on the number of working years as follows.

Working years	*Percentage of pension fund contributed by the Company (*)*
Less than 10 years	No retirement benefit
10 years and more	50%
15 years and more	60%
20 years and more	70%
25 years and more	80%
30 years and more	100%

(*) The employees shall receive full amounts of his/her contributions in this fund upon retirement date.

The Company has no further obligation concerning post-employment benefits for its employees other than this.

Termination benefits

In accordance with Article 82 of the Amended Labour Law No. 43/NA approved by the President of the Lao People's Democratic Republic on 28 January 2014, the Company has the obligation to pay allowance for employees who are terminated by dismissal in the following cases:

- The worker lacks specialised skills or is not in good health and thus cannot continue to work;
- The employer considers it necessary to reduce the number of workers in order to improve the work within the labour unit.

For the termination of an employment contract on any of the above-mentioned grounds, the employer must pay a termination allowance which is calculated on the basis of 10% of the last salary or wage multiplied by the total number of months worked. As at 30 June 2026, there are no employees of the Company who were dismissed under the above-mentioned grounds; therefore, the Company has not made any provision for termination allowance in the separate interim financial statements.

4. REVENUE FROM SALES

	For the six-month period ended 30 June 2026 LAK	*For the six-month period ended 30 June 2025* LAK
Sale of goods	590,727,294,115	470,413,073,511
Transportation service	689,077	661,031,011
Repair and maintenance service	2,534,991	264,205,250
	590,730,518,183	**471,338,309,772**

5. COST OF SALES

	For the six-month period ended 30 June 2026 LAK	*For the six-month period ended 30 June 2025* LAK
Cost of goods sold	403,808,305,677	327,093,370,373
Delivery and freight charges	32,809,049,031	25,809,169,226
Net change in inventory provision	39,631,783	531,820,405
	436,656,986,491	**353,434,360,004**

6. OTHER INCOMES

	For the six-month period ended 30 June 2026 LAK	*For the six-month period ended 30 June 2025* LAK
Rental income	1,731,203,748	1,776,433,231
Interest income	347,415,933	352,505,517
Income from sales of fixed asset	-	761,677,346
	2,078,619,681	**2,890,616,094**

7. SELLING EXPENSES

	For the six-month period ended 30 June 2026 LAK	*For the six-month period ended 30 June 2025 LAK*
Salaries, wages and other employee benefits	35,211,245,447	28,048,100,562
Depreciation and amortisation	19,713,188,213	14,154,552,938
Rental fees – offices and showrooms	12,475,974,374	10,098,468,191
Fuel expense	3,332,809,297	1,957,755,387
Sales Promotion and advertising expense	1,894,717,193	2,118,661,019
	72,627,934,524	**56,377,538,097**

8. ADMINISTRATIVE EXPENSES

	For the six-month period ended 30 June 2026 LAK	*For the six-month period ended 30 June 2025 LAK*
Depreciation and amortisation	1,008,228,768	499,109,787
Salaries, wages and other employee benefits	18,564,378,233	16,779,129,062
Additional charge of allowance for doubtful account receivable	259,024,042	180,981,194
Repairs and maintenance expense	1,774,761,020	1,618,062,639
Utilities	4,287,153,409	3,048,652,769
Office supplies	935,691,222	686,259,512
Professional fees	1,732,860,412	2,048,188,123
Others administrative expense	1,392,628,437	1,006,561,490
Audit fee	312,098,689	295,892,876
Insurance expense	270,855,403	264,832,442
	30,537,679,635	**26,427,669,894**

9. FINANCE COSTS

	For the six-month period ended 30 June 2026 LAK	*For the six-month period ended 30 June 2025 LAK*
Interest expense from:		
Borrowing from financial institutes	5,166,854,408	3,910,082,562
Debentures	2,415,941,015	515,299,764
Bank charge	278,512,126	304,171,868
	7,861,307,549	**4,729,554,194**

10. NET FOREIGN EXCHANGE (LOSS)/GAIN

	For the six-month period ended 30 June 2026 LAK	*For the six-month period ended 30 June 2025 LAK*
Net unrealized (loss)/gain from dealing in foreign currency	(1,953,197,086)	843,418,139
Net realized (loss)/gain from dealing in foreign currency	1,074,754,421	1,744,785,806
	(878,442,665)	**2,588,203,945**

11. CASH AND CASH EQUIVALENTS

	30 June 2026 LAK	*31 December 2025 LAK*
Cash on hand	664,793,451	379,386,545
Cash at banks	42,269,056,583	54,083,485,656
	42,933,850,034	**54,462,872,201**

Cash, cash equivalents and bank overdrafts include the following for the purposes of the Interim statement of cash flows:

	30 June 2026 LAK	*31 December 2025 LAK*
Cash on hand	664,793,451	379,386,545
Cast at banks	42,269,056,583	54,083,485,656
	42,933,850,034	**54,462,872,201**
Bank Overdraft	(1,225,275)	(28,458,676)
	42,932,624,759	**54,434,413,525**

12. SHORT-TERM DEPOSIT

	30 June 2026 LAK	*31 December 2025 LAK*
Short-term deposit	13,257,643,020	12,774,252,960
	13,257,643,020	**12,774,252,960**

As at 30 June 2026, the term deposit is at a domestic bank in USD with a term of 3 months and at interest rate 1.70% per annum.

13. TRADE AND OTHER RECEIVABLES, NET

	30 June 2026 LAK	*31 December 2025 LAK*
Trade receivables	13,242,932,249	16,094,645,152
Less allowance for doubtful debts	*(4,680,275,233)*	*(4,456,225,656)*
Trade accounts receivable, net	**8,562,657,016**	**11,638,419,496**

The outstanding trade accounts receivable balance as at 30 June 2026 is aged as follows:

	30 June 2026 LAK	*31 December 2025 LAK*
Not yet due	6,810,153,626	9,262,773,883
Overdue		
1 – 3 months	1,314,008,587	2,055,985,955
3 – 6 months	438,494,803	319,659,658
6 – 12 months	1,191,569,392	548,500,549
Over 12 months	3,488,705,841	3,907,725,107
Trade accounts receivables	**13,242,932,249**	**16,094,645,152**
Less allowance for doubtful debts	*(4,680,275,233)*	*(4,456,225,656)*
Trade accounts receivable, net	**8,562,657,016**	**11,638,419,496**

14. INVENTORIES

	30 June 2026 LAK	*31 December 2025 LAK*
Inventories	563,086,209,375	578,300,775,412
Less:		
Provision for slow moving and obsolete	*(9,065,094,397)*	*(9,141,673,438)*
Provision for Net realisable value ("NRV")	*(349,114,106)*	*(306,721,384)*
Inventories, net	**553,672,000,872**	**568,852,380,590**

15. OTHER CURRENT ASSETS

	30 June 2026 *LAK*	*31 December 2025* *LAK*
Advance payments to suppliers	9,591,705,731	3,184,482,266
Accrued rebate from suppliers (i)	1,950,847,106	4,147,339,726
Prepaid insurance premium	271,173,731	63,108,618
Prepayment from related parties for lease contracts *(Note 27.2)* (ii)	29,219,059,518	42,955,499,650
Staff loans	462,150,174	465,302,185
Others (iii)	5,785,312,929	2,037,848,676
	47,280,249,189	**52,853,581,121**

(i) Rebate from suppliers represents an accrued amount of rebate to be received from suppliers and is settled by netting with the invoices when the Company makes payments to those suppliers.

(ii) Prepayment includes (i) land lease contracts of Oudomxay and Vangvieng branches which are under constructions and (ii) buildings lease contracts of Phontong, Sokyai, Somsanouk, Thakhek, Savannakhet, Paksan, Pakse and Luangphabang.

(iii) (iii) Others include prepayments of borrowings approval fee, staff's parking lot rentals, apartments rental provided to executive employees, accrued interest receivable, shipping fee and import tax.

16. PROPERTY, PLANT AND EQUIPMENT

16.1 Assets under purchase and construction in progress

Movements of assets under purchase and construction in progress as at 30 June 2026 are as follows:

	Buildings and structures LAK	*Machinery and equipment LAK*	*Furniture and fixtures LAK*	*Motor vehicles LAK*	*Computer Software LAK*	*Total LAK*
Cost						
As at 1 January 2026	28,904,760,163	515,095,083	272,256,192	294,421,596	158,479,308	30,145,012,342
Additions	7,006,670,718	98,311,635	688,809,285	-	50,236,476	7,844,028,114
Transfer to fixed assets	(237,179,682)	(50,827,762)	(747,987,030)	(292,122,166)	(54,373,600)	(1,382,490,240)
Write off	-	(488,954,598)	-	-	-	(488,954,598)
Foreign exchange differences	(225,746,371)	(4,022,806)	(2,126,204)	(2,299,430)	(1,237,653)	(235,432,464)
As at 30 June 2026	35,448,504,828	69,601,552	210,952,243	-	153,104,531	35,882,163,154

16. PROPERTY, PLANT AND EQUIPMENT (continued)

16.2 Tangible assets

	Buildings and structures LAK	*Machinery and equipment LAK*	*Furniture and fixtures LAK*	*Motor and Vehicles LAK*	*Total LAK*
Cost					
As at 1 January 2026	652,267,247,569	28,066,606,066	167,167,827,123	44,941,387,869	892,443,068,627
Addition	-	1,268,351,218	520,501,481	808,964,983	2,597,817,682
Transfer from CIP	237,179,682	50,827,762	747,987,030	292,122,166	1,328,116,640
Written off	-	(747,973,437)	(2,220,509,756)	-	(2,968,483,193)
Foreign exchange differences	(5,094,201,212)	(219,200,130)	(1,305,578,177)	(350,991,832)	(6,969,971,351)
As at 30 June 2026	647,410,226,039	28,418,611,479	164,910,227,701	45,691,483,186	886,430,548,405
Accumulated depreciation					
As at 1 January 2026	176,016,496,716	19,623,567,346	105,481,858,106	38,671,865,869	339,793,788,037
Charge for the period	10,593,647,737	1,224,017,405	7,537,477,508	1,025,777,205	20,380,919,855
Write off	-	(447,920,881)	(2,093,285,048)	-	(2,541,205,929)
Foreign exchange differences	(1,381,696,614)	(154,069,868)	(828,798,935)	(302,703,153)	(2,667,268,570)
As at 30 June 2026	185,228,447,839	20,245,594,002	110,097,251,631	39,394,939,921	354,966,233,393
Net book value					
As at 1 January 2026	476,250,750,853	8,443,038,720	61,685,969,017	6,269,522,000	552,649,280,590
As at 30 June 2026	462,181,778,200	8,173,017,477	54,812,976,070	6,296,543,265	531,464,315,012

16. PROPERTY, PLANT AND EQUIPMENT (continued)

16.3 Intangible assets

	Land use rights LAK	*Software* LAK	*Total* LAK
Cost			
As at 1 January 2026	891,079,254,115	5,953,009,570	897,032,263,685
Transfer from CIP	-	54,373,600	54,373,600
Foreign exchange differences	(6,959,320,679)	(46,493,080)	(7,005,813,759)
As at 30 June 2026	884,119,933,436	5,960,890,090	890,080,823,526
Accumulated amortisation			
As at 1 January 2026	-	2,697,007,223	2,697,007,223
Charge for the period	-	340,497,127	340,497,127
Foreign exchange differences	-	(21,288,790)	(21,288,790)
As at 30 June 2026	-	3,016,215,560	3,016,215,560
Net book value:			
As at 1 January 2026	891,079,254,115	3,256,002,347	894,335,256,462
As at 30 June 2026	884,119,933,436	2,944,674,530	887,064,607,966

17. OTHER NON-CURRENT ASSETS

	30 June 2026 LAK	*31 December 2025* LAK
Prepayment from related parties for rental buildings *(Note 27.2)*	14,442,307,830	16,212,172,726
Other	311,105,754	-
	14,753,413,584	**16,212,172,726**

18. TRADE AND OTHER PAYABLES

	30 June 2026 LAK	*31 December 2025* LAK
Trade payable to related parties *(Note 27.2)*	14,252,619,674	13,243,010,331
Trade payable to third parties	72,849,576,583	81,799,100,352
Other payables (i)	1,391,176,626	980,005,011
	88,493,372,883	**96,022,115,694**

(i) Other payable represents refund liabilities from sale returns.

19. BANK OVERDRAFT AND BORROWINGS

	30 June 2026 LAK	*31 December 2025 LAK*
Current		
Bank Overdraft (i, ii)	1,225,275	28,458,676
Short-term borrowings (iii, iv, v)	52,409,394,378	104,509,333,335
	52,410,619,653	**104,537,792,011**
Long-term borrowings - current portion (vi, vii, viii)	50,635,415,000	51,033,990,000
	103,046,034,653	**155,571,782,011**
Non-current		
Long-term borrowings – non-current portion (vi, vii, viii)	61,340,217,500	59,594,342,430
	164,386,252,153	**215,166,124,441**

Bank Overdraft balance as at 30 June 2026 includes:

i) An overdraft Agreement with a local commercial bank with the credit limit of LAK 2,520,100,000 of which the monthly interest rate is the Lao Base Rate 1 month plus 3.874% margin per annum. The facility is secured by the shareholder's land.

ii) An overdraft Agreement with a local commercial bank for amount of THB 8,500,000 of which the monthly interest rate is the Lao Base Rate 1 month plus 4.695% a percentage of the margin per annum. The facility is secured by the shareholder's land.

Short-term borrowing balance as at 30 June 2026 includes:

iii) A short-term borrowing from a local commercial bank with a credit limit of LAKm 30,000 and a fixed interest of 6.05% per annum. The principle is scheduled to be paid within 150 days, and the interest is to be paid monthly. The borrowing is secured by the shareholder's land.

iv) A Master Credit Facility Agreement with a local commercial bank with credit limit of LAKm 94,178 with interest rates ranging from 7.31% - 12.32%. The agreement includes facilities in category of letter of guarantee, (bid & purchase & performance), letter of credit and trust receipt. The borrowing is secured by the shareholder's land.

v) A revolving borrowing from an oversea commercial bank with a credit limit of THB 250 million and interest rates ranging from 4.60% to 4.85% per annum. Each disbursement is scheduled for settlement within 150 days after the drawdown and the interest has to be paid monthly. The borrowing was secured by the shareholder's land.

19. BANK OVERDRAFT AND BORROWINGS (continued)

Long-term borrowing balance as at 30 June 2026 includes:

vi) A long-term borrowing from local commercial bank with a credit limit of THB 44 million, an interest rate of 5% per annum and maturity date on 31 December 2028. The principle is scheduled to be paid quarterly, and the interest is to be paid monthly. The borrowing is secured by the shareholder's land.

vii) A Long-term borrowing from local commercial bank with a credit limit of THB 145 million, an annual fixed interest of 6.05% per annum and maturity date on 31 May 2027. The principle has been paid quarterly starting from 31 August 2022. The borrowing is secured by the shareholder's land.

viii) A Long-term borrowing from local commercial bank with a credit limit of THB 25 million, an annual fixed interest of 5% per annum and maturity date on 1 July 2028. The principle has been paid quarterly starting from 31 January 2024. The borrowing is secured by the shareholder's land.

20. DEBENTURES

Debentures as at 30 June 2026 are as follow:

	30 June 2026 LAK	*31 December 2025 LAK*
Debentures issued in Lao Securities Exchange	68,306,835,000	65,453,661,000
	68,306,835,000	**65,453,661,000**

This is unsubordinated unsecured long-term debentures issued in the Lao Securities Exchange. Summary of key terms and conditions of the debentures as at 30 June 2026 are as below:

ISIN Code	*Original Amount (USD)*	*LAK equivalent*	*Interest rate (% p.a)*	*Years*	*Interest payment*	*Maturity date*
LA80000115D6	3,000,000	68,306,835,000	7.50%	4	Semi-Annual basis	19 May 2027

21. DEPOSITS FROM CUSTOMERS

Deposits from customers are for purpose of guarantee for good purchases and usually settled and cleared within 1-2 months when customers accept the delivery of goods.

22. OTHER CURRENT LIABILITIES

	30 June 2026 LAK	*31 December 2025 LAK*
Defer rental revenues	1,755,638,035	1,255,992,979
Defer revenue of undelivered good from sales	6,499,203,065	3,436,844,668
Accrual related marketing activities (i)	1,163,887,244	4,473,272,078
Bond interest payable	563,102,136	562,382,226
Other payable to related parties *(Note 27.2)* (ii)	64,228,815,000	64,734,390,000
Other Tax payable (iii)	1,695,190,360	1,831,385,377
Other staff payable (iv)	4,032,031,455	3,352,124,518
Other current liability (v)	7,540,739,090	6,639,508,761
	87,478,606,385	**86,285,900,607**

(i) Accrual related marketing activities presents the fund of marketing activities from suppliers;

(ii) Other payable to related parties presents liability for the acquisition of land;

(iii) Other tax payable represents tax payable of profit income tax, value added tax and corporate income tax;

(iv) Other staff payable represents the accrual of Social Security, pension fund and fund received from deducted employee's salary and benefits;

(v) Other current liabilities represent the advance deposit received from supplier for product consultant's salary, accrued other expenses, accrued expense for import goods and accrued interest expense of borrowing.

23. SHARE CAPITAL AND SHARE PREMIUM

	Number of shares	*Ordinary shares in LAK*	*Share premium in LAK*
As at 1 January 2025	165,000,000	330,000,000,000	24,735,724,722
Issue of shares	-	-	-
As at 31 December 2025	165,000,000	330,000,000,000	24,735,724,722
As at 1 January 2026	165,000,000	330,000,000,000	24,735,724,722
Issue of shares	-	-	-
As at 30 June 2026	165,000,000	330,000,000,000	24,735,724,722

24. PROFIT TAX

Under the Income Tax Law No.67/NA dated 18 June 2019, which is effective on or after 1 January 2020, the normal profit tax ("PT") rate is 20%. Accordingly, the tax rate applicable for the Company for the six-month period ended 30 June 2026 is 20%. (for the six-month period ended 30 June 2025: 20%).

	For the six-month period ended 30 June 2026 LAK	*For the six-month period ended 30 June 2025 LAK*
Profit before tax for the period	**44,246,787,000**	**35,848,007,622**
Adjustments to increase/(decrease)		
Depreciation that has been deducted over the useful life as defined in Tax Law	(5,623,178,315)	(4,570,964,356)
Reversal of provision for doubtful debt	259,024,042	180,981,194
Net change in inventory provision	39,631,783	531,820,405
Unrealised foreign exchange losses/(gain)	1,953,197,086	(843,418,139)
Other non-deductible expense	923,688,729	394,535,635
Taxable profit	**41,799,150,325**	**31,540,962,361**
Current PT expense, at the statutory rate of 20%	8,359,829,724	6,308,192,579
PT payable at the beginning of the period	12,708,943,895	11,488,554,790
PT paid during the period	(12,389,630,667)	(11,668,993,189)
Translation adjustment	(324,844,493)	201,401,844
PT payable at the end of the period	**8,354,298,459**	**6,329,156,024**

25. EARNINGS PER SHARE

The following reflects the income and share data used in the basic and diluted earnings per share computation:

	For the six-month period ended 30 June 2026 LAK	*For the six-month period ended 30 June 2025 LAK*
Net profit attributable to ordinary shareholders in LAK	35,886,957,276	29,539,815,043
Weighted average number of ordinary shares	165,000,000	165,000,000
Basic earnings per share	**217**	**179**

26. DIVIDEND

At the Annual General Meeting of Shareholders held on 10 April 2026, the shareholders approved a resolution to declare a dividend payment from unappropriated retained earnings after legal reserve and other reserve allocation and from the net profit from 1 January 2025 to 31 December 2025 of LAK 130.16 per share, with total LAK 21,476.4 million equivalent to THB 31,125,217 (2024: LAK 19,800 million equivalent to THB 30,937,500). The dividend was paid in May 2026 to the shareholders.

27. RELATED PARTY TRANSACTIONS

The Company had transactions with the following related parties during the year:

Shareholders	*Number of shares (par value: LAK 2,000/share)*	*Shares equal to Percentage*
Mr. Waddana SOUKHABANDITH (*)	28,524,440	17.29%
Mr. Phannola SOUKHABANDITH (*)	26,844,580	16.27%
Mr. Kotsada SOUKHABANDITH (*)	26,844,580	16.27%
Ms. Phaphatsone SOUKHABANDITH (*)	840,000	0.51%
Ms. Viengdala BOUPHA (*)	840,000	0.51%
Mr. Anousone OUNTAY (*)	28,000	0.02%
Mr. Bounthavy SIMMAXAY (*)	22,400	0.01%
Mr. Souvanny SISOMCHAY (*)	28,000	0.02%
Mr. Xaysangkhom XUMMANYVONG (*)	28,000	0.02%
Global House International Limited	56,000,000	33.94%
Other public corporation and individual investors	25,000,000	15.15%
	165,000,000	

(*) These shareholders represent for Soukhabandith family with total shares holding 50.92%.

27.1 Income and expenses

Transactions with related parties are conducted at contractually agreed prices. Significant transactions with related parties were as follows:

Related party	*Relationship*	*Transaction*	*For the six-month period ended 30 June 2026 LAK*	*For the six-month period ended 30 June 2025 LAK*
SCG International Corporation Co., Ltd	Affiliate	Purchases of goods from related parties	44,979,855,854	36,980,605,706
SCG Ceramics Public Company Limited	Affiliate	Purchases of goods from related parties	20,337,277,418	21,636,227,202
		Rental expense	15,079,350,918	10,115,560,704
Soukhabandith family	Shareholder	Sale of goods to related parties	309,148,682	165,029,667
SCG Distribution Co., Ltd	Affiliate	Professional fee	974,271,900	907,292,133

The rental expense is for land and buildings rented from the major shareholders to support the operation. The rental charge is at the price as agreed between both parties after the revaluation.

27. RELATED PARTY TRANSACTIONS (continued)

27.2 *Outstanding balances arising from related party transactions*

Related party	*Relationship*	*30 June 2026 LAK*	*31 December 2025 LAK*
Current prepaid rental *(Note 15)*			
SOUKHABANDITH family	Shareholder	29,219,059,518	42,955,499,650
		29,219,059,518	**42,955,499,650**
Non-current prepaid rental *(Note 17)*			
SOUKHABANDITH family	Shareholder	14,442,307,830	16,212,172,726
		14,442,307,830	**16,212,172,726**
Trade accounts receivable			
SOUKHABANDITH family	Shareholder	608,252,023	313,194,898
		608,252,023	**313,194,898**
Trade accounts payable *(Note 18)*			
SOUKHABANDITH family	Shareholder	64,228,815,000	64,734,390,000
SCG International Corporation Co., Ltd	Affiliate	7,822,211,230	4,781,736,118
SCG Ceramics Public Company Limited	Affiliate	6,144,842,586	8,312,624,873
SCG Distribution Co., Ltd	Affiliate	163,120,800	148,649,340
SCG International Laos Co., Ltd	Affiliate	122,445,058	-
		14,252,619,674	**13,243,010,331**
		78,481,434,674	**77,977,400,331**

Transactions with key management personnel of the Company

Remuneration to members of the Board of Management is as follows:

	For the six-month period ended 30 June 2026 LAK	*For the six-month period ended 30 June 2025 LAK*
Salaries and other benefit	3,874,296,721	4,508,050,817

28. COMMITMENTS

28.1 Operating lease commitment

As a lessee

The Company leases land and offices under non-cancellable operating lease agreements from shareholders. The lease term range from two to five and half years, and the majority of lease agreements are renewable at the end of the lease period, with the contract value subject to adjustment based on the revalued land price

	30 June 2026 LAK	*31 December 2025 LAK*
Less than 1 year	-	-
From 1 - 5 years	-	-
TOTAL	-	-

28.2 Letter of credit and guarantee

As at 30 June 2026, the Company has letters of credit and letter of guarantee issued by financial institution in respect of inventory importing with suppliers in overseas with totalling at THB 15.7 million (2025: THB 31 million) and in domestic with totalling at LAK 0 (2025: LAK 33 billion).

29. SUBSEQUENT EVENTS

There is no matter or circumstance that has arisen after 30 June 2026 that requires adjustment or disclosure to be made in the LAK-converted interim financial statements of the Company.

Mr. Waddana SOUKHABANDITH
Chief Executive Officer

Mr. Phannola SOUKHABANDITH
Chief Financial Officer

Vientiane, Lao PDR

24 August 2026